



# Federated –May Integration

Transition Plan

2006



# The Federated Panel

- ▼ Kris Whitney - OVP Accounts Payable
- ▼ Janet Torok - Director A/P Vendor Services
- ▼ Carol Wall - Director A/P EDI
- ▼ Joe Lieber - Director Debit Balance and May Integration
- ▼ Sue Tomlinson - Director Systems and Technology



# The Federated Panel

- ✓ Arthur Goldman - VP National Quality  
Director Furniture and Bedding
- ✓ Jacqueline Thompson - VP Federated  
Transportation Office
- ✓ Marc Irgang - Systems May Co
- ✓ Beverly Peralta – OVP Accounts Payable



# Today's Goal

- ✓ Communicate information regarding the FDS-May integration
- ✓ Share conversion dates
- ✓ Answer questions regarding the FDS-May integration



# FDS-May

## Integration Summary

On integration date the systems will convert to FDS systems and former May division vendors will be required to follow FDS Vendor Standards Manual

- ▼ 2006 DATES May converts to Macy's Home Store
  - April 30, 2006 Filene's / Kaufmann's to Macy's Home Store
  - May 28, 2006 Hecht's / Strawbridges to Macy's Home Store
  - July 2, 2006 Foley's to Macy's Home Store
  - July 2, 2006 Robinson's-May / Meier & Frank to Macy's Home Store



# FDS-May Integration Summary

Famous Barr (Macy's Midwest) and Marshall Field's (Macy's North) systems do not convert until 2007. These divisions' vendors will be required to follow the FDS Vendor Standards Manual beginning **July 2, 2006**



# Review FDSNET Communications



Federated Department Stores  
Business Services Site

Help  
About Us  
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**FAMOUS BARR - FILENE'S - FOLEY'S - HECHT'S - KAUFMANN'S - L S AYRES - LORD & TAYLOR  
MARSHALL FIELD'S - MEIER & FRANK - ROBINSON'S-MAY - STRAWBRIDGE'S - THE JONES STORE**

**[Click here](#) for all information pertaining to your divisions.**

**UPDATED: 03/10/06**

**Bloomington's and Macy's use links below.**

#### REGISTERED USERS

##### [Log In](#)

You must be a registered user to access these and other services:

- Vendor AP Activities
- AP Forms
- Shipment Requests
- Repair Service Scheduling
- Parts Ordering & Tracking
- Trailer & Yard Management
- Document Library
- **[FDSNet Profile Update](#)**

##### [Carrier Only Log In](#)

You must be a Federated Transportation System registered carrier to access:

- Load Tendering

#### NEW TO FDSNet ?

- Important Information
- New Vendor Requirements
- Registration Instructions

**[REGISTER NOW](#)**

#### GENERAL INFORMATION MANUALS & FORMS

##### [Vendor Standards](#)

- AP Information
- Emails to Vendors

##### [Routing Guide](#)

- Procedural Change Notices
- Shipping Address Update Form

##### [EDI](#)

- Mapping Guides & Forms
- Technology Contact List

#### USING FDSNET

Use [Help](#) for step by step training information on FDSNet business activities.

##### [Important Information](#)

for AOL & CompuServe users.

#### INDUSTRY LINKS

-

#### MERGER INFORMATION

**Federated MAY**  
DEPARTMENT STORES, INC.

Updated 03/10/06

#### FDSNet Updates

**ATTENTION  
Vendors**

**[Routing Guide](#)  
[Technology Contacts](#)  
03/16/06**

**[Hecht's/Strawbridge's  
Integration to Macy's](#)  
03/10/06**

**[Filene's/Kaufmann's  
Integration to Macy's](#)  
02/24/06**

**[2006 VENDOR  
STANDARDS](#)**

**[View All Updates](#)**

This site is optimized for [Netscape Navigator 4.6+](#) or [Internet Explorer 5.0+](#), and uses JavaScript and [Adobe Acrobat](#) extensively.



# Purchase Orders

## ✔ Follow the PO

- this is your guide for where and how to ship merchandise
- May PO = May Systems = May Invoice
- Macy's PO = Macy's Systems = Macy's Invoice

## ✔ Your inbound EDI ASN (856) and Invoice (810) must be transmitted to the corresponding mailbox from which the original EDI PO (850) was generated



# Business Continuity

- ✓ Ensure all cut off dates are adhered to
- ✓ Schedule all appointments with FTO in a timely manner
- ✓ Work with your merchant if any questions on ship windows



# Resource Requirements

- ✓ EDI requirements stay the same until integration date
- ✓ Call EDI contacts at May for May issues  
call FDS for FDS issues

# Risks for Vendor – Retailer



- ✓ If incorrect information is sent to wrong system this can cause:
  - Merchandise delays
  - Reduced sales
  - Payment delays / confusion

MAY SYSTEMS=MAY INVOICE

MACY'S SYSTEM=MACY'S INVOICE



# Questions From Our Vendors

1. When will May Co EDI follow the Federated System?  
*Once a former May division converts those stores are Macy's stores and will follow the EDI guidelines for Macy's*
1. Date of new stores coming on Line with FDS and Operational info contacts? *All conversion dates are listed on FDSNET under May-Merger link. Also included in your handout*
3. Federated Logistics reps for new stores coming on line?  
*Not sure of reference of reps, new stores roll into Macy's Divisions, however you currently deal with Macy's you would continue with that same process.*



# Questions from our Vendors

- 1. How will Federated assume May systems?**
- 2. Will any May Co. system be adopted in Federated production**
- 3. Will the May Co. EDI sender/receive numbers change, or , simply remain and be absorbed into the assigned Macy's division?**



- 4. What kind of changes in EDI can we expect?**
- 5. EDI, shipping cutoffs, logistics**
- 6. EDI in relation to shipping**
- 7. UCC labeling, inclusion of packing lists for EDI compliant vendors.**
- 8. EDI**

**9. EDI and UPC catalog, vendor compliance, corporate merger.**



**10. Impact / chnges to EDI documents.**

**11. Would like a checklist from Federated describing how the 850s, 810s, 856s, carton labels, hangtag labels, etc. will change from the current May standards to the new Federated standards. Would like the checklist to include cut-off dates for each group of changes.**

**12. How does FDS / May integration impact EDI?**



**13. Integration of EDI systems**

**14. EDI sender / receiver ids**

**15. New shipping procedures, EDI, ASNs, etc.**

**16. Will the UCC128 label date requirements on the May Co. shipments change? Will the UCC128 label placement requirements change for the May Co.?**



**17. Will May EDI requirements e.g. mapping standards, required transactions sets, etc. be shifted to Federated requirements? If so when?**

**18. EDI transitions and consolidations**

**19. Changes in EDI**

**20. Time frame of system integrations by region**



**21. Who to contact regarding May Co. chargebacks during and after the transition. Changes related to POE shipments.**

**22. Will all compliance requirements and routing compliance come under Federated's compliance manual information, or will the different divisions be split May/Federated? Will we dispute**



**23. Considering that there are so many changes taking place, will vendors be given a break on chargeback situations that may arise as a result of these conversions?**

**24. Detail on compliances of the traffic routing guide and minimizing chargebacks**

**25. Will there be leniency to chargebacks during conversion?**

**26. Please review dispute process**

**27. Causes of unscannable UCC128 label**



**28. Causes of unscannable UPC's / hangtags**

**29. UCC128 readers, are the May Co. standards or the FDS standards?**

**30. Merger procedures specific to 856, 810, UCC128 and compliance issues. Also compliance presidency.**



- 31. Will chargebacks be issued if there are initial miscompliances due to system issues or just getting used to the changes?**
  
- 32. Ongoing problem with labels smearing during transit-how will this be resolved to prevent chargebacks.**
  
- 33. Will May Co. stores be treated as “new” stores and be subject to 90 days dating and 5% new store allowance?**



**34. Will May routing/packaging requirements be converted to Federated's or will there be some "hybrids"?**

**35. Packing issues and UPC labels**

**36. Will all the divisions be uniform on all procedures, tickets, hangers, routing?**

**37. Are there new guidelines coming out in the near future? i.e. Labeling / packing / etc. requirements?**

## **38. Changes in Packaging / Labeling / Ticket Changes**



**39. Will price sticker requirements change for the May Co's that are merging into Federated or will they take on the requirements of the companies Federated divisions that they will fall under?**

**40. Will May vendor requirements (e.g. ticketing, UCC128, etc.) be shifted to Federated requirements?**

**41. Retail ticketing requirements**



4. Macy's is currently EDI. When will new May divisions be EDI? *After the conversion dates the former May doors will be new Macy's. You would handle as any new door to Macy's.*
5. What are the dates that May PO ordering format could change? *When they become Macy's doors, after conversion.*
6. What are the changes to EDI requirements regarding FDS-May integration. *Once conversion vendors follow FDS EDI mapping requirements as outlined in our Vendor Standards manual located on our website [www.fdsnet.com](http://www.fdsnet.com).*



7. Will the former May Co. divisions be using their transactions as they come on board? We have a couple of divisions that have been using part, but not all, of the available EDI transactions. *Once a May Division conversion takes place these are new Macy's doors and vendors follow Macy's EDI guidelines.*
  
8. Concerned because we carry both BT and ST items. (lamps and decorative items). *Follow your PO and The FDS Vendor Standards manual as you do today.*

## FTO Questions:



1. Will all freight invoices still be handled out of the division for May or will they go to GA? *After conversion all new Macy's doors will continued to handled as you are today.*
2. How will demurrage charges be handled when the appt date is beyond the last free day with the steamship line. *Same as FDS handles today, which is outlined in the Vendor Standards Manual.*
3. DC SOP for receiving Direct Containers. *Same as FDS handles today*



**5. At the time the old Filene's/Kaufmann's merchandise begins being sent to the new DC at the Raritan facility, there may be containers on water. Because it takes about 6 weeks for the containers to travel from port to port, there is a good chance that some will ship prior to 4/17, but not arrive at the port on the east coast until after that date.**

- **How will this affect the drivers picking up a container and transporting it?**

*This would be the same process FDS uses today, if the goods arrive after the conversion date and the PO is for a former May Division. The vendor will have the ability to direct the trucker where to deliver the merchandise.*

- **Will there be a way for the driver to know where to actually deliver the goods? Vendor has the ability to direct via store listing information to request routing as is the process today.**

- **Also will this same 6 week gap cause problems with the ASN and the 128 labeling ?**  
*No, due to the fact that you are following the PO assigned.*



6. Could something be added to FDSNet so that revisions to loads can be more easily made when necessary? *No, the operation will continue as it is today.*
7. How can we get appointments made to pick up goods faster? We have very limited warehouse space and lots of time we hold Federated product for 10 days or more after it is produced. Bloomingdales and MCW ads create the biggest issues for us. *This is an item that you need to work on an individual basis with the FTO team.*



8. When I request a pick up from FDSNet shipping and my purchase order is cancelled, who do I contact?  
*Your Macy's Home buyer*
  
9. If a May location is converted to a Federated DC before POs are 100% Federated issued, how would we handle consolidating into one request for routing?  
*Follow your PO that is your guide. You should not have a Macy's PO shipping to a FDS DC prior to conversion dates. Please check your ship windows.*



10. What are the specific changes to the way we will ship May Co. stores? Will we use FDSNet? Same brokers? Same carriers? Same contact people, etc.? *May Co PO follow May company standards, once conversion happens follow Macy's PO and FDS standards. FDS has the same contact people in place. Remember these are new doors to the Macy's divisions.*
  
11. Any changes to FDS Shipping? *Currently we are working on systems updates to accommodate May POs*

## A/P questions



1. When will the Payables be switched over?  
*If you have a May PO you communicate and deal with the MayCo A/P representatives as done in the past. Once conversion takes place you will have Macy's POs and Macy's receipts. You access FDSNET A/P forms as you do today. Your A/P contacts at Federated have not changed and Macy's will be the go forward stores. Remember the PO is your guide and you will not have May POs after conversions dates.*
2. Will May Company's Accounts Payable system go to an online system like FDSNet? *We understand Famous Barr and Marshall Field's have a research tool that is currently being enhanced which will be available sometime in April.*



3. How will May invoicing change? *You will not have May PO s after the conversion and prior to conversion it is business as usual.*
4. Payments to vendor change? *You will continue to to be paid as you are today from Macy's. We are converting May locations into Macy's...these are new doors for Macy's*
5. Legal structure ie. Should all divisions be under one receivable account or should they remain separate? Billing obstacles, some divisions are EDI, others are paper invoices. *After conversion, you are dealing with new Macy's Home doors. You follow all FDS standards as outlined in the FDS Vendor Standards manual.*

## DC questions



1. How is FDS addressing the warehouse capacity issues for delaying product delivery? *Currently looking for opportunities within expanded network.*
2. Will there be changes to the current DCs? Is FDS closing some? *No changes to current Macy's DCs. May Company DC closings have been announced on the Federated Corporate website FDS.com. Copies are included in your handout.*
3. Will May follow Macy's delivery schedule? *After conversion you will have additional Macy's doors and prior to conversion you will follow May's schedule.*

## Buyer questions:



- What if I have already shipped on a May PO?  
*You continue to follow May guidelines and ship as you normally would ship May CO.*

Any difference as it relates to special or custom orders. *The vendor will be given updated information when they contact FDSNET for routing on all POs---Stock and Special.*

We are interested in shipping full containers To FDS. What are the requirements? *Speak to Your Macy's Home buyer.*

# Accounts Payable Contact Sheet



- ▼ Kris Whitney - Operating Vice President
- ▼ Janet Torok - Director Vendor Services
- ▼ Carol Wall - Director EDI
- ▼ Joe Lieber - Director Debit Balance and May Integration
- ▼ Beverly Peralta - Operating Vice President



# Thank You

- ✓ We appreciate your ongoing support and are looking forward to growing our businesses together!